

this section effective with the date of issuance of the Loan Note Guarantee.

§ 1980.46 Right to Financial Privacy Act of 1978.

(a) When the applicant is either an individual or partnership of five or fewer members and applies for financial assistance from a lender which applies to FmHA or its successor agency under Public Law 103–354 for a guarantee, the following actions must be taken:

(1) Except for Farmer Programs loans, within 3 days of the receipt of a pre-application or complete application from a lender for a guarantee for a loan, FmHA or its successor agency under Public Law 103–354 will forward Form FmHA or its successor agency under Public Law 103–354 410–7, “Notification to Applicant on Use of Financial Information From Financial Institution,” to those applicants desiring loan assistance. If notification is made upon receipt of a pre-application, notification will not be made upon receipt of an application for the same applicant. For Farmer Programs loans, this notification is included in Form FmHA or its successor agency under Public Law 103–354 1980–25, “Farmer Programs Application,” and therefore, Form FmHA or its successor agency under Public Law 103–354 410–7 need not be sent to the loan applicant.

(2) Except for Farmer Programs loans, notification must also be given to the lender and other financial institutions to which FmHA or its successor agency under Public Law 103–354 makes a direct request for financial records. For Farmer Programs loans, this notification is included in Form FmHA or its successor agency under Public Law 103–354 1980–25, and therefore, Form FmHA or its successor agency under Public Law 103–354 410–7 need not be sent to the lender. The notification to the lender and other financial institutions will read as follows:

I certify that the United States Department of Agriculture, acting through the Farmers Home Administration or its successor agency under Public Law 103–354, has complied with the applicable provisions of Title XI, Pub. L. 95–630, in seeking financial information regarding

(applicant)

Date

County Supervisor

(b) Under no circumstances may financial information obtained under this Subpart be disseminated to any other department or agency of the Federal Government (other than the Office of the Inspector General (OIG) or the Office of Equal Opportunity (OEO)) without express approval of OGC.

[48 FR 30947, July 6, 1983, as amended at 52 FR 6500, Mar. 4, 1987; 58 FR 34307, June 24, 1993; 61 FR 67633, Dec. 23, 1996]

§ 1980.47 Time frame for processing applications for loan guarantees.

All guaranteed loan applications must be approved or disapproved, and the lender notified in writing, not later than 60 days after receipt of a completed application, except as noted in paragraph (d) of this section.

(a) If an application is not complete, the lender will be notified, in writing, not later than 20 days after receipt of the application by FmHA or its successor agency under Public Law 103–354, of the reason(s) the application is incomplete.

(b) When an application is disapproved, the written notification to the lender will state the reasons(s) for disapproval.

(c) When an application is disapproved and subsequent action, as the result of an appeal, reverses or revises the initial decision, FmHA or its successor agency under Public Law 103–354 will notify the lender of such action within 15 days after the reversal/revision decision is made.

(d) Applications for Community Programs guaranteed loans that would otherwise be disapproved due to the lack of guarantee authority to make the loans will be placed in a pending status. The applications will remain in a pending status until guarantee authority becomes available. Within 60 days after guaranteed authority becomes available, FmHA or its successor agency under Public Law 103–354 will